



STATE OF ARIZONA
OFFICE OF THE GOVERNOR

DOUGLAS A. DUCEY
GOVERNOR

EXECUTIVE OFFICE

May 16, 2018

The Honorable Michele Reagan
Secretary of State
1700 W. Washington, 7th Floor
Phoenix, AZ 85007

Re: House Bill 2002 (automobile theft authority; appropriation)

Dear Secretary Reagan:

Today, I vetoed House Bill 2002. This legislation should be considered as a part of general appropriations agreed to by the Legislature and Executive, and should include a larger discussion to ensure administrative efficiencies are realized. My priority is in making sure that more of these dollars go to law enforcement and not to administrative overhead.

Sincerely,

Douglas A. Ducey
Governor
State of Arizona

cc: The Honorable Steve Yarbrough
The Honorable J.D. Mesnard
The Honorable David Livingston

State of Arizona
House of Representatives
Fifty-third Legislature
Second Regular Session
2018

HOUSE BILL 2002

AN ACT

AMENDING SECTION 41-3451, ARIZONA REVISED STATUTES; APPROPRIATING MONIES;
RELATING TO THE AUTOMOBILE THEFT AUTHORITY.

(TEXT OF BILL BEGINS ON NEXT PAGE)



1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 41-3451, Arizona Revised Statutes, is amended to
3 read:

4 41-3451. Automobile theft authority; powers and duties; fund;
5 audit; exemption

6 A. An automobile theft authority is established consisting of the
7 following members:

8 1. Two police chiefs who are appointed by the Arizona association
9 of chiefs of police, one of whom represents a city or town with a
10 population of one hundred thousand or more persons and one of whom
11 represents a city or town with a population of less than one hundred
12 thousand persons, or their designees.

13 2. Two sheriffs who are appointed by the Arizona sheriffs
14 association, one of whom represents a county with a population of five
15 hundred thousand or more persons and one of whom represents a county with
16 a population of less than five hundred thousand persons, or their
17 designees.

18 3. Two county attorneys who are appointed by the governor, one of
19 whom represents a county with a population of two million or more persons
20 and one of whom represents a county with a population of less than two
21 million persons, or their designees.

22 4. Two employees of insurers who are licensed to write motor
23 vehicle liability insurance in this state and who are appointed by the
24 governor.

25 5. Two members of the general public who are appointed by the
26 governor.

27 6. The assistant director for the motor vehicle division in the
28 department of transportation or the assistant director's designee.

29 7. The director of the department of public safety or the
30 director's designee.

31 B. Members serve staggered four-year terms beginning and ending on
32 the third Monday in January. At the first meeting each year, the members
33 shall select a chairman from among the members. The authority shall meet
34 at the call of the chairman or seven members.

35 C. The authority may:

36 1. Subject to chapter 4, article 4 of this title, hire staff
37 members as necessary, including an executive director. The executive
38 director's annual compensation shall not be more than one hundred thousand
39 dollars.

40 2. Provide work facilities and equipment as necessary.

41 3. Determine the scope of the problem of motor vehicle theft,
42 including particular areas of the state where the problem is greatest.

43 4. Analyze the various methods of combating the problem of motor
44 vehicle theft.

45 5. Develop and implement a plan of operation.

1 6. Develop and implement a financial plan.

2 7. Solicit and accept gifts and grants.

3 8. Report by December 31 of each year to the governor, the
4 president of the senate, the speaker of the house of representatives and
5 the secretary of state on its activities during the preceding fiscal year.

6 D. If the chairman of the authority knows that a potential ground
7 for the removal of a member of the authority exists under this subsection,
8 the chairman shall notify the governor. The governor shall remove the
9 member if the governor finds that any of the following applies:

10 1. The member was not qualified to serve at the time the member was
11 appointed.

12 2. The member does not maintain the member's qualifications to
13 serve.

14 3. The member cannot discharge the member's duties for a
15 substantial part of the term due to illness or other disability.

16 4. The member is absent from more than one-half of the regularly
17 scheduled meetings during a calendar year unless the member's absence is
18 excused by a majority vote of the authority.

19 E. The automobile theft authority fund is established consisting of
20 any public or private monies that the authority may receive. The
21 automobile theft authority shall administer the fund. ~~Subject to~~
22 ~~legislative appropriation,~~ Monies in the fund shall only be used to pay
23 the expenses of the authority and to carry out the purposes of this
24 section. MONIES IN THE FUND ARE SUBJECT TO LEGISLATIVE APPROPRIATION.
25 ALL MONIES DEPOSITED IN THE FUND THAT EXCEED THE LEGISLATIVE APPROPRIATION
26 MADE FOR A FISCAL YEAR ARE APPROPRIATED TO THE AUTHORITY, AND THE
27 AUTHORITY MUST SUBMIT A REPORT FOR REVIEW BY THE JOINT LEGISLATIVE BUDGET
28 COMMITTEE ON THE INTENDED USES OF THE EXCESS MONIES BEFORE THE AUTHORITY
29 SPENDS ANY OF THE EXCESS MONIES. Monies in the fund are exempt from the
30 provisions of sections 35-143.01 and 35-190 relating to lapsing of
31 appropriations. On notice from the authority, the state treasurer shall
32 invest and divest monies in the fund as provided by section 35-313, and
33 monies earned from investment shall be credited to the fund.

34 F. The authority may accept nonmonetary contributions, including
35 the services of individuals, office and secretarial assistance, mailings,
36 printing, office equipment, facilities and supplies, that are necessary to
37 carry out its functions. The nonmonetary contributions shall not be
38 included in the costs of administration limitation prescribed by
39 subsection H of this section.

40 G. The automobile theft authority shall allocate monies in the fund
41 to public agencies for the purpose of establishing, maintaining and
42 supporting programs that are designed to prevent motor vehicle theft,
43 including:

1 1. Financial support to law enforcement and prosecution agencies
2 for programs that are designed to increase the effectiveness of motor
3 vehicle theft prosecution.

4 2. Financial support for programs that are designed to educate and
5 assist the public in the prevention of motor vehicle theft.

6 H. The costs of administration shall not exceed ten percent of the
7 monies in the fund in any one year so that the greatest possible portion
8 of the monies available to the authority is expended on combating motor
9 vehicle theft.

10 I. Monies expended from the automobile theft authority fund shall
11 be used to supplement, not supplant, other monies that are available for
12 motor vehicle theft prevention.

13 J. Each insurer issuing motor vehicle liability insurance policies
14 in this state shall pay a semiannual fee of fifty cents per vehicle
15 insured under a motor vehicle liability insurance policy issued by the
16 insurer. The fee shall be fully earned and nonrefundable at the time the
17 insurer collects the premium for the motor vehicle liability insurance
18 policy. Each insurer shall transmit the fee on or before January 31 and
19 on or before July 31 of each year to the automobile theft authority for
20 deposit in the automobile theft authority fund. The payment due on or
21 before January 31 shall cover vehicles insured under policies that are
22 issued during the period from July 1 through December 31 of the previous
23 year. The payment due on or before July 31 shall cover vehicles insured
24 under policies that are issued during the period from January 1 through
25 June 30 of the same year.

26 K. The authority shall cause an audit to be made of the automobile
27 theft authority fund. The audit shall be conducted by a certified public
28 accountant every two years. The authority shall file a certified copy of
29 the audit with the auditor general immediately. The auditor general may
30 make further audits and examinations as the auditor general deems
31 necessary and may take appropriate action relating to the audit pursuant
32 to chapter 7, article 10.1 of this title.

33 L. Authority members are not eligible to receive compensation but
34 are eligible for reimbursement of expenses pursuant to title 38, chapter
35 4, article 2.

36 M. This section does not apply to vehicles or vehicle combinations
37 with a declared gross weight of more than twenty-six thousand pounds.
38 Motor vehicle liability insurance policies issued in this state for
39 vehicles or vehicle combinations with a declared gross weight of more than
40 twenty-six thousand pounds are exempt from subsection J of this section.

1 Sec. 2. Automobile theft authority fund; appropriation:
2 fiscal year 2017-2018

3 Notwithstanding section 41-3451, subsection E, Arizona Revised
4 Statutes, all monies deposited in the automobile theft authority fund in
5 fiscal year 2017-2018 in excess of the appropriation made by Laws 2017,
6 chapter 305, section 15 are appropriated to the automobile theft authority
7 to carry out the purposes of section 41-3451, Arizona Revised Statutes.
8 The automobile theft authority shall submit a report for review by the
9 joint legislative budget committee on the intended uses of the monies
10 before expending the monies.

Passed the House February 6, 20 18

by the following vote: 44 Ayes,

13 Nays, 2 Not Voting
1 Vacant

McRae
Speaker of the House

☒ Pro Tempore

Jim Drake
Chief Clerk of the House

Passed the Senate May 3, 20 18

by the following vote: 28 Ayes,

0 Nays, 2 Not Voting

Steven B. Yoder
President of the Senate

Susan Owens
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

_____ day of _____, 20____

at _____ o'clock _____ M.

Secretary to the Governor

Approved this _____ day of

at _____ o'clock _____ M.

Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this _____ day of _____, 20____

at _____ o'clock _____ M.

H.B. 2002

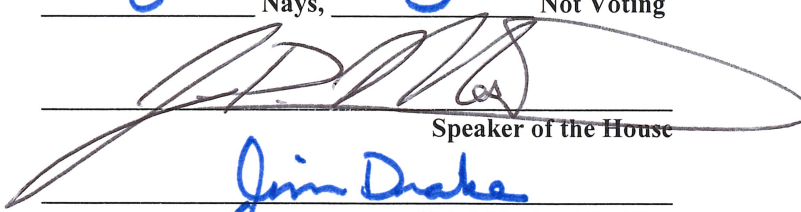
Secretary of State

HOUSE CONCURS IN SENATE
AMENDMENTS AND FINAL PASSAGE

May 3, 2018,

by the following vote: 57 Ayes,

0 Nays, 3 Not Voting


Speaker of the House

Jim Drake
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill was received by the Governor this

4th day of May, 2018

at 9:01 o'clock A. M.


Secretary to the Governor

Approved this 16th day of

May, 2018,

at 1:22 o'clock P M.

VETO

Governor of Arizona

H.B. 2002

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State

this _____ day of _____, 20____,

at _____ o'clock _____ M.

Secretary of State